

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor Matthew J. Frank, Secretary

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January 22, 2009

Mr. Kerry DeKeyser Plexus Corporation 40 Jewelers Park Drive Neenah, WI 54957

WDNR BRRTS # 07-71-553152

Subject: Lease Liability Clarification for Environmental Liability for Plexus Corporation for Leasing of Property at the PH Glatfelter Mill Redevelopment Site, Generally Located at 225 W. Wisconsin Ave, Neenah, Wisconsin from the Community Development Authority of the City of Neenah

Dear Mr. DeKeyser:

The purpose of this letter is to provide the applicant, Plexus Corporation, with clarifications as to the potential environmental liabilities associated with leasing of property by Plexus Corporation at the PH Glatfelter Mill Redevelopment Site located generally at 225 W. Wisconsin Ave, Neenah, Wisconsin from the Community Development Authority of the City of Neenah and described in detail below. The property is to be leased for purposes of conducting in and on such premises any lawful business and the construction of an office building with parking, and is also known as One Plexus Way.

On November 28, 2008 the Wisconsin Department of Natural Resources (WDNR) received a request for a lease liability clarification letter submitted by you, Kerry DeKeyser, on behalf of Plexus Corporation. Further correspondence between Plexus, its consultants and the WDNR's Northeast Regional staff working in our Remediation and Redevelopment Program have determined that the property to be leased is appropriately described as Lot Two (2) of Certified Survey Map No. 6333, filed in the Office of the Registrar of Deeds for Winnebago County, Wisconsin on December 17, 2008 in Volume 1 on page 6333 as Document No. 1489831. A copy of the Certified Survey Map thus filed was emailed to WDNR staff hydrogeologist Annette Weissbach on January 16, 2009 by Patrick Skalecki, a consultant with the GRAEF consulting firm on behalf of Plexus, and is included as Attachment 1.

Plexus Corporation is entering into a Ground Lease Agreement with the Community Development Authority of the City of Neenah, Wisconsin that was emailed to Ms. Weissbach on December 19, 2008, by Rico Tomasi of the Plexus Corporation. This version of the Ground Lease Agreement, which is unsigned, is included as Attachment 2. Although your Lease Liability Clarification Reguest and the draft Ground Lease Agreement as provided to the Department did not specify the Lot number to be leased, emails from Plexus Corporation to Ms. Weissbach (see December 1 and 2, 2008 in the list of documents below) identified Lot Two of the Certified Survey Map (included as Attachment 1) as the "real property" for which liability clarification was requested. This property will be referred to in this letter as "Leased Lot #2".

Leased Lot # 2 is to be developed in accordance with a Development Agreement among Plexus Corporation, the City of Neenah and the Community Development Authority of the City of Neenah dated December 18, 2008. A copy of this Development Agreement was emailed to Ms. Weissbach on January 5, 2009 by Mr. Tomasi and is included as Attachment 3.



Soil and Groundwater on and near Leased Lot #2 was investigated in 2007, as part of an overall site assessment of the PH Glatfelter Mill Redevelopment Site. Contamination associated with Leased Lot #2 encompasses parts of Bureau for Remediation and Redevelopment environmental repair program sites known as PH Glatfelter (former) Ash Fill, BRRTS # 02-71-550735 and PH Glatfelter (former) - Chlorinated, BRRTS # 02-71-550733. Table #1 below lists the contaminants detected on Leased Lot #2. Please refer to **Attachment 4**, which was provided on behalf of Plexus to Ms. Weissbach via email on January 16, 2009 by Mr. Skalecki for the locations of the monitoring wells and borings on Leased Lot #2 in which the contaminants listed below were detected.

Table #1 2008 Data				
Soil boring and monitoring well location	VOC in groundwater	VOC and semi-VOC in soil	Metals in groundwater	Metals in soil
B1/MW1		Benzo(a)pyrene >DC SRCL PCBs detected	As > PAL Pb > PAL	As, Pb > DC RCL As, Ca, Hg, Se > GW SSRCL
B36/VW6		ND	-	Cd > GW SSRCL Pb > DC RCL
B23/VW1		Benzo(a)pyrene >DC SRCL PCE > GW SSRCL	-	As, Pb > DC RCL As, Hg > GW SSRCL
B6		ND	riy .	ND
B-8		ND	**	ND
B24/VW2		SVOC > GW SRCL	-	ND
B13/MW9		ND	Pb > ES	As > DC RCL As, Se > GW SSRCL
B3/MW3	Dibromochloro- methane >PAL PCE > ES TCE > PAL VC > ES	Benzene, DRO > GW RCL PCE > DC GW SSRCL		As > DC RSL As, Se > GW SSRCL

Notes to Table:

VOC Volatile Organic Compounds MW: ground water monitoring well RCL: Residual Contact Level SSRCL; Calculated Site Specific RCL

SRCL: suggested RCL

SVOC: semi-volatile organic contamination

PAL: Preventive Action Limit (NR 140 Wis. Adm. Code) ES: Enforcement Standard (NR 140 Wis. Adm. Code)

DRO: diesel range organics

DC: direct contact VW: vapor monitoring well ND: not detected As: arsenic

Pb: lead
Cd cadmium
TCE: triphloroati

TCE: trichloroethylene

GW: groundwater B: soil boring Hg: mercury Ca: calcium Se: selenium

PCE: perchloroethylene VC: vinyl chloride

PCB: polychlorinated byphenols

Leased Lot #2 also encompasses BRRTS activity PH Glatfelter Paper Co, BRRTS #03-71-001314 which is a Leaking Underground Storage Tank (LUST) site closed by the Department of Commerce on July 7, 2000. This activity is listed in the Department's GIS Registry due to residual Groundwater contamination. The former tank was located on Leased Lot #2, however, the tank and the contaminated soils surrounding the tank were excavated and the cavity was backfilled with clean fill. The residual groundwater contaminants above NR 140 Wisc. Adm. Code enforcement standards in monitoring wells associated with this activity are not located on Leased Lot #2. BRRTS number 07-71-

550924 has been assigned to track the various other general liability clarifications and approvals for the entire PH Glatfelter Redevelopment Site.

Specifically, you have requested that the Department determine that Plexus Corporation would not be held responsible under the Hazardous Substances Spills Law, s. 292.11, Wis. Stats., under a lease when it executes the Ground Lease Agreement described above with the Community Development Authority of the City of Neenah for hazardous substances that were discharged on or near Leased Lot #2 prior to the effective date of Plexus's Ground Lease Agreement with the City.

Determination

As you are aware, s. 292.55(1) (d)1., Wis. Stats., authorizes the Department to issue a letter to a person seeking assistance concerning the liability of a person owning or leasing a property for environmental pollution of the property. Specifically, the Department has reviewed the following list of documents in order to make this determination:

- Email correspondence from Patrick Skalecki, GRAEF, to Annette Weissbach, WDNR, including a revised soil boring exhibit, CSM 6333, dated 2008.12.17., and Spur lands geotech borehole locations, January 16, 2009.
- Email correspondence from Rico Tomasi, Plexus, to Annette Weissbach, WDNR, copy of a signed Developers Agreement, January 5, 2009
- Email correspondence from Todd Hietpas, Plexus to Annette Weissbach, WDNR, with copy of the latest Ground Lease between Plexus and the City, December 19, 2008.
- Email correspondence from Patrick Skalecki, Graef, Anhalt, Schloemer, to Annette Weissbach, WDNR, including Exhibit A, a site map showing the proposed Plexus building footprint in relation to Lot lines and monitoring well and boring locations, December 5, 2008.
- Email correspondence from Patrick Skalecki, Graef, Anhalt, Schloemer to Todd Hietpas, Plexus, attached to email correspondence from Rico Tomasi, Plexus, to Annette Weissbach, WDNR, including a copy of a "CSM that will be reviewed and approved by Planning and City Council this week.", December 1 and 2, 2008.
- Lease Liability Clarification Request and draft, unsigned Ground Lease Agreement, Kerry DeKeyser, Plexus Corporation, November 24, 2008.
- Environmental Activities Summary, Glatfelter Mill Redevelopment Project, Jonathan Lewis, Northern Environmental. October 7, 2008
- Teleconferencing Materials: Plan of Redeveloped Northeast End of Site, Glatfelter Site Diagram, Aerial view of site pre-development, provided by Bill Scott, Gonzalez Saggio & Harlan LLP, October 7, 2008.
- Phase I Environmental Site Assessment, P.H. Glatfelter Company and Adjoining Properties, ENTAC Environmental Services, May 6, 2008.
- Phase I Environmental Site Assessment, P.H. Glatfelter Company and Adjoining Properties, Northern Environmental, May 6, 2008.
- Phase II Environmental Site Assessment, Glatfelter Paper Mill, 225 West Wisconsin Avenue, Neenah, Northern Environmental, January 8, 2008.
- Phase I Environmental Site Assessment Report, PH Glatfelter Company, prepared by ENTACT for Junction Street Capital, LLC, September 2006.

Please note that the Ground Lease Agreement provided to the Department for review by Mr. Tomasi has not been executed and the terms and conditions of the agreement are not effective until the agreement is signed by Plexus Corporation and the Community Development Authority of the City of Neenah. Any determinations made by the Department in this letter are based specifically on the terms and conditions provided in the Ground Lease Agreement that will come into effect when it is caused to be executed by both parties.

The Department has reviewed the terms and conditions of the Ground Lease Agreement between Plexus Corporation and the City of Neenah Community Development Authority and has determined that Plexus Corporation, as Lessee under the proposed Ground Lease Agreement, would not "possess or control", as those terms are used in s. 292.11(3), Wis. Stats., any hazardous substances that were discharged onto the Leased Lot #2 prior to entering into the Ground Lease Agreement, conditioned on compliance with the following standards of performance:

- Plexus Corporation agrees to provide any responsible party, their consultants and Department personnel with reasonable access to the Leased Lot #2 for the purposes of conducting any necessary environmental assessment or remediation activities.
- Plexus Corporation agrees to comply with all applicable state and federal laws that apply to the removal or excavation and disposal of contaminated groundwater, soil or other materials during construction and related activities it undertakes on Leased Lot #2.
- Plexus Corporation agrees to comply with the requirements of s. 292.11, Wis. Stats., and the NR 700 rule series, Wis. Adm. Code, for the discharge of any hazardous substances that may be caused by Plexus Corporation as the Lessee.

Under these conditions, the Department agrees not to hold Plexus Corporation in its capacity as a Lessee under the proposed Ground Lease Agreement, responsible for investigating or remediating any hazardous substances that are present on the Leased Lot #2 prior to the date of entering into the Ground Lease Agreement, unless one of the aforementioned conditions is not satisfied.

Please note that the Ground Lease Agreement provided by Mr. Tomasi includes a "Section Eleven – Subletting and Assignment" and a "Section Thirty – Lessee's Right to Purchase Premises". If Plexus, the lessee under the proposed Ground Lease Agreement, were to exercise these rights to sublet, assign or purchase Leased Lot #2 or a portion thereof, that could affect the determination in the letter.

The Bureau for Remediation and Redevelopment Tracking System (BRRTS) identification number for this activity is shown at the top of this letter. The Department tracks information on all determinations such as this in a Department database that is available on the Internet at http://dnr.wi.gov/org/aw/rr/. See "BRRTS on the web" under "Contaminated Land Databases".

If you have any questions, please feel free to contact me at (608) 264-8527 or project manager Jennifer Borski at (920)-424-7887, or by email to Jennifer.Borski@Wisconsin.gov. Refer to the BRRTS number at the top of this letter in any future correspondence.

Sincerely,

Attorney

Bureau of Legal Services

Attachments

cc: Jennifer Borski – NER – Oshkosh

Annette Weissbach - NER - Green Bay (ecopy)

Michael Prager - RR/3 (ecopy)

CERTIFIED SURVEY MAP 21.25 PART OF LOTS 1-16, BLOCK 1, PLAT OF NORTH NEENAH, PART OF LOTS 5-9. CURVE 1 BLOCK 2 OF PALMER'S MAP OF NEENAH OF 1874, PART OF LOT 1 AND ALL OF LOTS 2-15, BLOCK B, ALL OF BLOCK C, AND PART OF CURVE 2 CHURCH 3 56'09'53" E VACATED MAIN STREET, CANAL STREET, AND ALLEY, IN WARNER'S 9.90 LOT 4 6,404 50. Ff. ADDITION TO NEENAH, BEING PART OF THE SE1/4-SE1/4 OF SECTION 21 AND PART OF THE SW1/4-SW1/4, SECTION 22, T.20N., R.17E., CITY OF NEENAH, WINNEBAGO COUNTY, WISCONSIN, CURVE 6 N 33'50'07" 43.98 CURVE 5 N 11'09'53" W HALFATED FWDZ LOT 2 28.85 ์N 56'09'53" พ์ VOL. 1039. PG. 584 122,273 SO. FT. 2.807 AC. MEDED CHIM STREET CURVE 6 BITSCX & VICATED NIET 1'20'26" W 22.78' EXISTING 10'UTILITY EASEMENT VOL. 664, PC. 545 LOT MEENAH OF 1874 (1001) 超過過 M.M. SCON SIN WEINE N 33'50'07 LEGEND NO. EXISTING CHISFLIED CROSS IN SIDEWAL PALMERS A CHISELLED CROSS SET SET 1315 OD XIS IRON PIPE WEIGHING 168 LBS.PER LINEAL FOOT EXISTING 1315 O.D.IRON PIPE FOUND 59'53'38" W WINHEBAGO COUNTY MONUMENT CHISELLED NOTCH FOUND 5 29.00'37" E 104.8 Φ EXISTING NAIL FOUND (X) MASONARY NAIL SET S 04'21'42" (50") MEANDER CORNER Y-535,286,79 X=812,179,80 SURVEY NAIL 24.65 SCONSIA WISCONSIN CENTRAL LTD. MICHAEL C. EXISTING 16 UTILITY EASEMENT JENSEN S-1746 WAUPĄC 59.53,38" UNPLATTED LANDS, DOC.NO.IMBT391 CORNER , T.ZON., R.17E, SURV 60'59'24" CURVE TABLE EXISTING UTILITY EASEMENT VOL. 98Z, PG, 12 CURVE RADIUS CHORD BEARING CHORD LENGTH ARC LENGTH \$ 801229 E \$ 790502 E \$ 551814 W \$ 580812 W N 330954 W N 385445 W N 733510 E N 663157 E N 580812 E 28.50 2115 28.507 44.507 2,425.187 1,937.007 13.507 26.507 1,551.007 21.68° 35.60′ 91.04′ 118.81′ 5.42′ 15.96′ 22.41′ 315.15′ 34,66' 91,03' 11879' 5,38' 1572' 22,47' 314,45' 118,06' EXISTING 25' UTILITY HEASEMENT POL. 664, PG. 545 W. DOTY AVENUE EXISTING UTILITY
EASEMENT
LOTS 7 & 8
VOL.992, PG. 120 1,360,00 118.08 NORTH IS REFERENCED TO THE WISCONSIN COUNTY COORDINATE SYSTEM WITH THE WEST LINE OF THE SW L/4 OF SECTION 22, T.20N., R.ITE. BEARING N 00*00'25" E LOT 1 151,362 SQ, FT. 3.475 AC. (801) 의 GRAPHIC SCALE 1"-100" MAIN STREET = 50 100 NOTES: PROJECT MANAGER: PJS EXISTING BUILDINGS ARE BEING DEMOLISHED AS OF THE DATE OF THIS CSM AND THEREFORE ARE NOT SHOWN. DRAWN BY: CMW N 73'10'16" E FILE: CSM_1.dgn ø MONUMENTS WILL BE SET AT THE CONCLUSION OF THE DEMOLITION, OR AS DIRECTED BY THE OWNER. DATE: 12-16-2008 EXISTING 10 UTILITY EASEMEN CURVE 7 SHEET NO. 1 of 8 31 WAY. N 28'58'46" 10.61 EXISTING 40'UTILITY EASEMENT PAGE NO. 586933 1150 Springhurst Drive, Suite 201 Green Boy, WI 54303-5950 920-592-9440 FAX 592-9445 GRAEF ANHALT SCHLOEMER Web Site: www.gasai.com N 29'20'10" W 153,54

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